

Med-Surg Data Synchronization Overview

Why Data Sync?

Vision of Data Sync—Peace and War

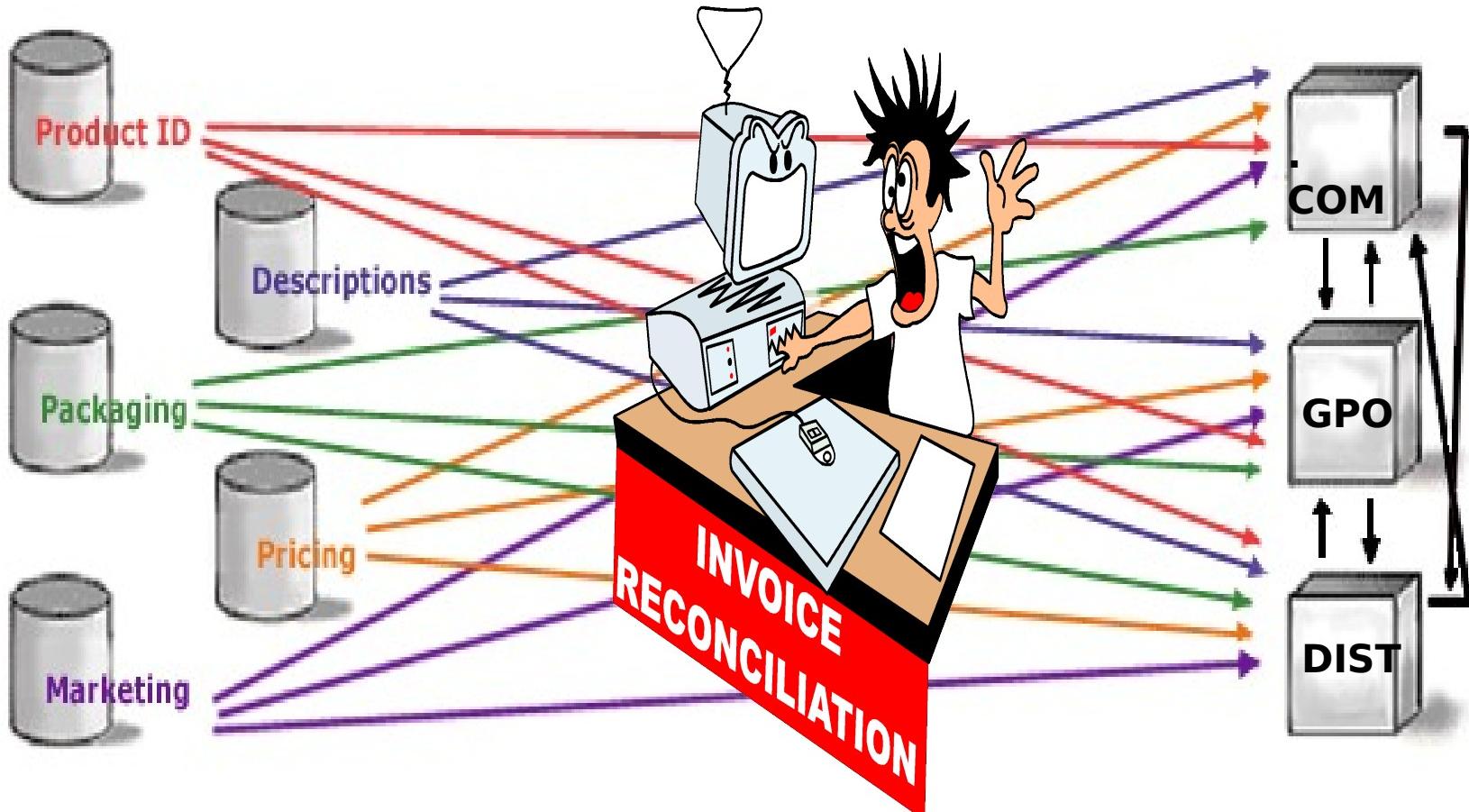
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15 January 2003

Healthcare Product Data Problem

- **“It’s the Data Dummy”**
- * **Computers can’t deal with dirty or inconsistent data**
- * **EDI, EStandards & EBusiness won’t work with dirty data**
- * **All trading partners must clean up & synchronize product data to move from where they are into an EBusiness automation environment**
- **If we can’t get the data synchronized, we can’t automate!**

E-Commerce Without Data Synchronization

Typical Manufacturer
Internal Data Sources



Healthcare Product Data Problem

- This mishmash of data sources and formats is unmanageable
- In the *E-Marketplace* timely and accurate product information is paramount
- Moving erroneous information electronically is processing ‘garbage at the speed of light’

Why is Data Synchronization and Expanded eCommerce a Corporate Priority?

Problems

- We don't know what we are buying
- We are paying too much
 - Don't know best price on items at time of purchase.
 - Can't leverage purchasing volume for better prices
- Our purchasing methods (credit card and local purchase) on non-PV items are manpower intensive
- Identification of commercial products in support of medical assemblages is broken

E-Business Solutions

Why Can't We Sync/Match Med-Surg Items Among Our DoD Logistics Systems-- Starts with Lack of Common Manufacturer Naming—Different Names

for Kendall

Mfg Name	# Mfg Items
KENDAL HEALTHCARE PRODUCTS	1
KENDAL LTP	1
KENDALL	1
KENDALL COMPANY	2
KENDALL COMPANY LP	3340
KENDALL HEALTHCARE	172
KENDALL HEALTHCARE CO	43
KENDALL HEALTHCARE COMPANY	4
KENDALL HEALTHCARE PROD CO	38
KENDALL HEALTHCARE PRODUCRS	1
KENDALL HEALTHCARE PRODUCT CO	2
KENDALL HEALTHCARE PRODUCTS	222
KENDALL LTP	1
THE KENDALL CO. LP	1
THE KENDALL COMPANY LP	
2502	
TYCO HEALTHCARE - KENDALL	

Unsynchronized Product IDs--Different Distributor Numbers for the Same Product—Example 3M Product #8630

Allegiance	- M8630
Owens & Minor	- 4509008630
BBMC-Colonial	- 045098630
BBMC-Durr	- 081048
Kreisers	- MINN8630
Midwest	- TM-8630
Pacific	- 3/M8630
UnitedUMS	- 001880

**PLUS - Even Worse,
Nearly Every Hospital
has a different
Product ID for 3M**

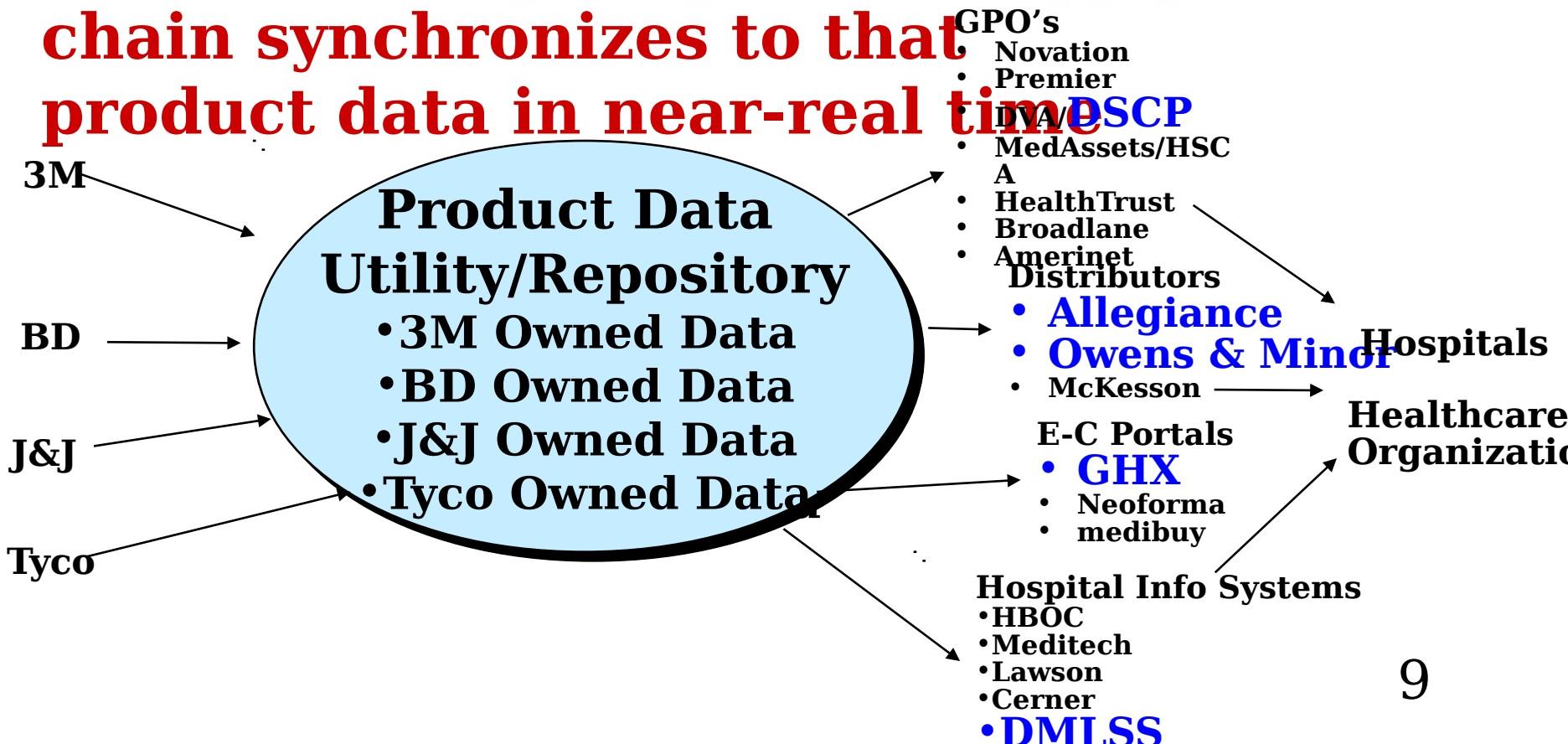
TYPICAL EXAMPLE OF HOW BAD MED-SURG PRODUCT ID IS TODAY IN OUR HOSPITALS

Site	Item ID	Description	MFG Name	Cat #	\$ Buys	Unit Price
1	6510EG7	EG7 + Test Cartridge	Abbott Diagnostic	EG7	88,400	5.20
2	H220300	I-Stat Cartridges EG7	Abbott Laboratories	None	68,000	5.66
3	Y6F0101	ISTAT EG7	Abbott	6F01-01	28,000	4.94
4	6550081331567	Cartridge EG7	Abbott Adana	6F01-02	12,000	5.97

Source: Items for inclusion in commercial GPO marketba

What is Product Data Sync--Long Term?

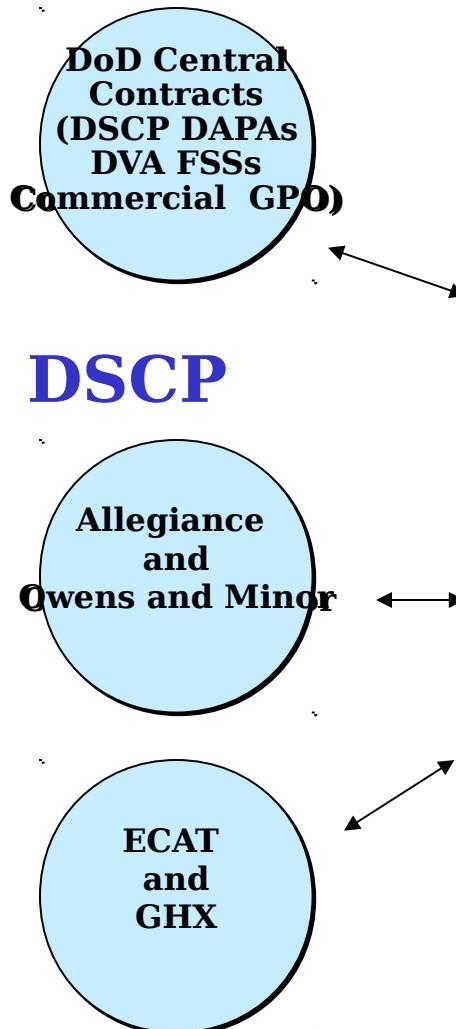
**Manufacturers provide
standardized, cleansed product
data and everybody in the supply
chain synchronizes to that
product data in near-real time**



Long Term Vision—DoD Working with Med-Surg Industry Groups

- DoD Piloting Data Sync for:
 - Healthcare eCommerce Collaborative (HCEC)
 - Distributors, Manufacturers, Providers, GPOs
 - Coalition for Healthcare eStandards (CHeS)—GPOs and .coms
- Kathy Garvin brought HCEC and CHeS together to work;
 - Product Information Component Sets (PICS)
 - Product Data Utility/Repository (PDU)

Key Product Data to Synchronize Across DoD Systems/Trading Partners



PRODUCT ID MATCHING

Manufacturer

Manufacturer Catalog Number

PACKAGING MATCHING

Smallest Unit of Packaging (SUP)

SUP UPN (if available)

Quantity of EAs in Smallest Unit of Packaging

Intermediate Pack Unit

Pack Unit UPN (if available)

Quantity SUP in Pack Unit

Quantity EAs in Pack Unit

Case Unit

Case UPN (if available)

Quantity SUP in Case Unit

Quantity EAs in Case Unit

DISTRIBUTOR NUMBERS

Owens and Minor and Allegiance Item ID

PRICING

DAPA and GPO Base (Uncommitted) Price

AVAILABILITY

Distribution Center and Velocity Code

Manufacturer Direct

DoD HOSPITALS

OR
Mgt
System

Omnicell
and
Pyxis

TAMMIS
DMLSS
and
ERP

What is Product Data Sync—Short Term?

We Sync Data Between our DoD Med-Surg Contracts and our Primary Trading Partners/ Suppliers (Owens and Minor and Allegiance and GHX) on the top 20,000 DoD Med-Surg Items and Use that Data in DMLSS

Owens
And Minor

Allegian-
ce

GHX

DAPA

FSS

Commercial GPO

DoD Synced Product Data Repository in DMLSS UDR—Gold And Silver Data

DMLSS DSCP

- MECA
- CDMIA
- RMA
- ECAT
- SAP

DMLSS Retail

- Air Force
- Army
- Marines
- Navy

Other DoD Log Systems

- JMAR
- Army ERP
- TAMMIS
- ETC

Why Synchronization of Key Product Data?

FOR BEST PRICING



DSCP



FOR ORDERING CORRECT PRICE

ECAT and GHX

PRODUCT ID MATCHING

Manufacturer

Manufacturer Catalog Number

PACKAGING MATCHING

Smallest Unit of Packaging (SUP)

SUP UPN (if available)

Quantity of EAs in Smallest Unit of Packaging

Intermediate Pack Unit

Pack Unit UPN (if available)

Quantity SUP in Pack Unit

Quantity EAs in Pack Unit

Case Unit

Case UPN (if available)

Quantity SUP in Case Unit

Quantity EAs in Case Unit

DISTRIBUTOR NUMBERS

Ewens and Minor and Allegiance Item ID

PRICING

DAPA and GPO Base (Uncommitted) Price

AVAILABILITY

Distribution Center and Velocity Code

Manufacturer Direct

DoD Hospital



COMPARISON AMONG HOSPITALS

Pack Level Alignment Manufacturer (Seller) Slotting Template

4 Pack Levels - 3M # 2235-3 – CLEAR BACK ELECTRODE - 3/BAG 20BG/BX 10BX/CS

Level	UPN	Pack UoM	Units	Quantity	Factor	Factor UoM	Sell
0	00707387284589	EA	-	1	1	EA	N
1	10707387284586	BG	1	3	3	EA	N
2	30707387284580	BX	20	60	20	BG	N
3	50707387284584	CA	200	600	10	BX	Y

**Qualified Manufacturer
data fields are placed in a
“slotting” template, to be
used to align, fill and
correct buyer pack fields**

Pack Level Alignment - Buyer 1

4 Pack Levels - 3M Item # 2235-3 – CLEAR BACK ELECTRODE 3/BAG 20BG/BX 10BX/CS
Manufacturer (Seller) Slotting Template

Level	UPN	Pack UoM	Units	Quantity	Factor	Factor UoM	Sell
0	00707387284589	EA	-	1	1	EA	N
1	10707387284586	BG	1	3	3	EA	N
2	30707387284580	BX	20	60	20	BG	N
3	50707387284584	CA	200	600	10	BX	Y

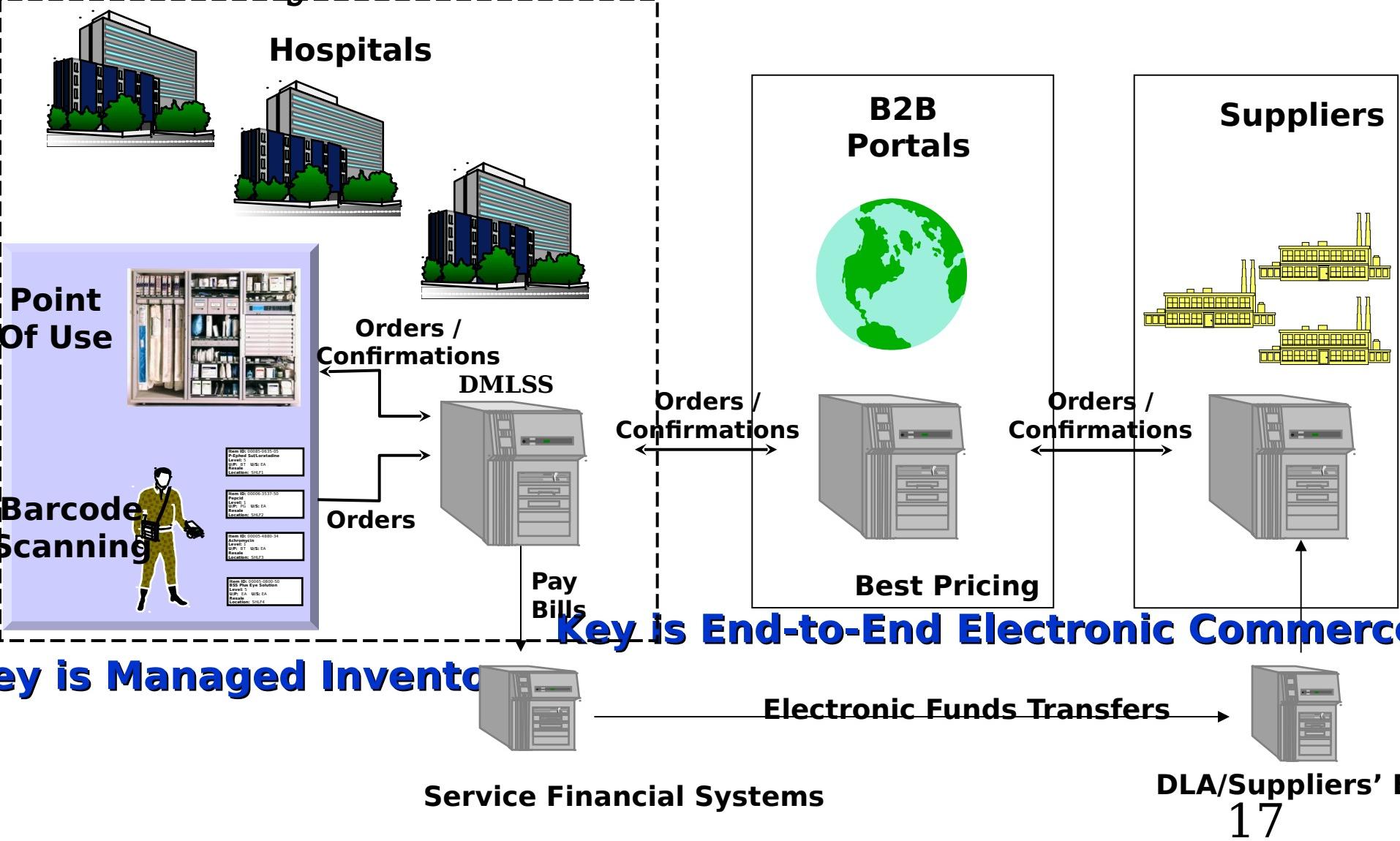
3M Item # 2235-3 – Participant (Buyer) 1

Level	UPN	Pack UoM	Units	Quantity	Factor	Factor UoM	Error
2		PK	20			BG	1,2
3		CA	200			PK	1,6

- The Buyer file has no UPN
- Level 2 is found matching Units
- Level 3 is found on Pack UoM
- Box (Level 2) Pack UoM wrong
- “Each” quantities missing
- All correct data from the

Med-Surg Data
Synchronization is Critical
to Implementing DoD
eCommerce Vision

eCommerce Vision (Best Pricing Machine to Machine) Cannot Do without Synchronized Product Data



Which Require Data Synchronization

- Wide range of quality products (to include Readiness Items) that are already priced under DoD/DVA/Commercial GPO Contracts.
- Pay lowest product prices in US Healthcare
- Minimize administrative cost by leading US Healthcare in electronic ordering/bill paying
 - Managed Inventory (POU or Par Level)
 - Contracting
 - Ordering
 - Receiving
 - Bill Paying
- Best value delivery times on items—next day on PV and 24-72 hours on Manufacturer Direct—Readiness Items Too!

Commercial GPO, Expanded eCommerce and Data Synchronization

- DSCP will award a Commercial GPO contract in the Spring—greatly increased portfolio of manufacturer direct items will be on contract to DoD
- Many of GPO items will be available to be ordered electronically thru DSCP's ECAT system to the Global Healthcare Exchange (GHX)
- Must Synchronize Commercial GPO portfolio of med-surg products to existing DAPAs to make Commercial GPO work

Implementing DoD Common Manufacturer Names—Crucial to Data Sync Efforts DSCP’s Top PV 24 Manufacturers—CDMIA Names

3M Medical

Abbott Labs

Aircast

Alaris Medical Systems Inc

Allegiance Healthcare

Ansell

Avid Medical Inc

CR Bard

Baxter Fenwal (Baxter Healthcare)

B Braun

BD

ConMed Corp

DeRoyal Ind Inc

Ethicon

J&J

Kendall Healthcare

Kimberly-Clark Health Care

Mallinckrodt Medical

Maxxim Medical

Premium Plastics

Regent

The Sewing Source

United States Surgical Corp

Welch Allyn

Where is Common Manufacturer Naming Going?

- Emily Baigas, DSCP's CDMIA Project Manager, is in Charge of Team Working Common Manufacturer Naming
- CDMIA's Manufacturer Naming Files (Common Naming and Translation Table to Common Name) will Be DoD's Authoritative Common Manufacturer Name Files
- DSCP and Army Data Sync Effort Working with Emily's Team
- Minor Adjustments Being Worked by the Team
 - Eliminate Corp, Inc, Co, and dashes from names
 - Adjusting Some Names (e.g. Baxter Fenwal to Baxter Healthcare)
- Implement in DAPA/MECA/UDR/DMLSS Retail

Integrating Better Knowledge of Prime Vendors in DMLSS to Increase PV Use and PV Fill Rates

- These are **10-20K items that DoD activities can get from prime vendors quickly and minimizing costs to Prime Vendors - Win/Win**
- **Three categories of PV items**
 - **Items readily available in supporting distribution facilities**
 - **Fast moving (“A” Velocity) items higher fill rates**
 - **Slower Moving (“B” and “C” Velocity) items lower fill rates**
 - **Items stocked in any PV distribution facility or available through OM direct from manufacturer**
 - **Items not currently available (Not cataloged)**
- **PV items easily identified through data sync**

Prioritizing Data Synchronization Efforts

(Medical-Surgical Items)

DoD Hit List of Products to Synchronize—Present Plan

- 2,000 Top \$ Prime Vendor items used by DoD hospitals
- 2001-10,000 Top \$ Prime Vendor items used by DoD hospitals
- 5,000 Top \$ Manufacturer Direct Products
- 5,000 Top Med/Surg items in Sets, Kits and Outfits
- 5001-10,000 Top \$ Manufacturer Direct Items
- 10,001-26,000 Top \$ Prime Vendor items used by DoD hospitals
- 10,000 Fastest moving Allegiance/Owens and Minor items

Items with Much Lower Priority

- 186,000 Prime Vendor (DAPA) items never ordered by DoD hospitals - 100,000+ not in our PVs Master Item Records
- Manufacturer Direct Items - Low annual dollar buys and low frequency of ordering - 600,000+ in US healthcare

What Can DoD Hospitals Do Now? (Start with Items with Annual Use > \$2500)

- Manage/Order all Med-surg Items in DMLSS or TAMMIS
- Implement Common Manufacturer Naming in Every Item Record in DMLSS/TAMMIS
- Record Manufacturer Catalog Number in Catalog Number on Every Item Record in DMLSS/TAMMIS

Note: This can be done electronically on all items which have PV Item Number Recorded

Expected Outcomes of Data Sync

- **Better Order Fulfillment on Readiness Items**
- **Savings on Product Costs**
- **Increase use of eCommerce sources (PV and ECAT/GHX)**
- **Decreased administrative costs —ordering and bill paying**